Testimony of Kenny Barnwell, Apple Grower, Henderson County, North Carolina

Chairman Shuler and Ranking Member Luetkemeyer,

My name is Kenny Barnwell. I'm an apple farmer from Henderson County, which is located in the Chairman's District.

When I returned to the family farming operation after I graduated from Greensboro College in 1980, the apple industry in Henderson County was a thriving industry. At that time, there were 33 Apple Packing Operations and almost 10,000 acres of apple orchards and today there are only 4 Apple Packing Operation and about 5,500 acres of apple orchards. These numbers, however, do not accurately reflect present condition of the industry.

In the late eighties, the apple market in Henderson County began to disappear. This change was brought about by the use of controlled atmosphere storage in Washington State. This change enabled the growers in Washington State to market apple year round, which removed the "window" when North Carolina had been marketing most of its apples, a time that occurred before any other apples were available from the new crop.

With the loss of this market advantage and the depressed prices for early apple production many growers went out of business or reduced their acreage. Most of the rest of the growers then began to rely more heavily on process grade apple production. The processing apple market was a way for growers to balance their apple production mix. Growers produced less fresh grade apples but made up the difference by producing more processing grade apples. This business model worked until the juice processing plant in Mountain Home, N.C., the Gerber processing plant in Asheville, N.C., and the National Fruit processing plant in Lincolnton, N.C. closed. As a result, growing apples in Henderson County in the 1990's was a very challenging undertaking. The loss of markets and the boom on real estate put a lot of pressure on many growers to make some very hard decisions about what they were going to do in the future.

At this time many new varieties of apples were shown to work very well in the climate in Henderson County. Most of the early research on these new varieties was done at the Mountain Research Station in Fletcher, N.C. This research station is operated by North Carolina State University, A&T State University and the North Carolina Department of Agriculture. This new apple production is now coming into full production and has opened many new markets for our apples. The local grown food movement has been important in our area because we are very near many large markets (Atlanta, Ga., Charlotte, N.C., and all of Florida). Also a new processing apple plant to slice apples has been built in Henderson County by the Henderson family. This plant's production and many of the fresh apples produced in Henderson County are now going into the school nutrition program thanks to the increase in funding from the new

Farm Bill. The Farm Bill has also provided much need funding for research in mechanical harvesting of apples. With new methods of harvest we would be less dependent on migrant labor for harvest.

My own route in the apple industry has followed a changing course. When I returned to the farm I worked for my Uncle for nine years in the 1980's and then went into business for myself. I bought an apple orchard in 1983 and the rented additional acreage in 1989 and became a fulltime apple farmer. Since then I have purchased part of a packing house where we no longer pack apples, I have changed from older varieties and large trees to almost all newer varieties and dwarf trees. In that time, I also worked as an adjuster for Federal Crop Insurance and have served on most agricultural committees that you can serve on in Henderson County and in North Carolina.

The apple industry in Henderson County is now strong and doing very well. However the industry is still very fragile and faces many challenges. Some of these challenges are the increased cost of production, the new regulations in food safety, and the questions about the availability of enough labor to harvest the crop. We as growers feel that we will be able to deal with this changing environment with the help of research and the continued recognition that apples and other specialty crops are an important part of agriculture in the United States. Without the funding in the Farm Bill, we growers could not continue.

We must have Federal Crop Insurance to help mitigate the inherent unpredictability of the weather as we experienced in 2007 when most of the crop was destroyed in an Easter freeze. Chairman Shuler came to our packing house and meet with growers twice and gave much need support in Edneyville and in Washington. His hard work helped to get apples and other specialty crops included in a crop disaster bill that provided much needed help in very difficult times and is one of the reasons I would call the apple industry healthy. We as producers face many challenges. I feel that we will be able meet them all with the continued help and understanding from members of Congress like you.

KENNY BARNWELL PO Box 137 Edneyville NC 28727

Education:

BS in Chemistry and Biology from Greensboro College 1980.

Employment:

Edneyville Packers 1980 to 1989. Self employed Apple Grower from 1989 to present. Co-owner Ridgeview Apple Packers

Boards & Committees:

NC Apple Growers Association Board of Directors 1995 to 2000, 2002 to 2007, President 2005 - 2006

NC Horticulture Council 1996 to 2009. President 2005-2006. Blue Apple Growers, Board of Directors, 1996 to 2000 President 1998-1999

Henderson County Agricultural Advisory Committee, 2004 to 2009

Henderson County Farm Service Agency 1995 to 2000, and 2008 to 2010

Commissioner Steve Troxler's Circle of Friends, 2005 to present

Awards:

NC Apple Grower of the Year 2000 Blue Ridge Apple Growers awards for outstanding service and contribution in 1999, 2004, and 2006



HOUSE COMMITTEE ON SMALL BUSINESS Witness Disclosure Statement

Required by House Rule XI, Clause 2(g)		
Your Name: 61:1/i Am Kenneth BARNUR!		
1. Are you testifying on behalf of a Federai, State, or Local Government entity?	YES	NO X
2. Are you testifying on behalf of an entity other than a Government entity?	YES	NO X
3. Other than yourself, please list what entity or entities you are repre		
4. Please list any offices or elected positions held or briefly describe parally with the entities disclosed in question 3.	our represen	tetional
(For those testifying on behalf of a Government entity, ignore these que 5. a) Please list any Federal grants or contracts (including subgrants including the amount and source (agency) which you have received a since October 1, 2006:	or subcontra	cts), proved for
b) If you are testifying on behalf of a non-governmental entity, please list any federal grants or contracts (including subgrants or subcontracts) and the amount and source (agency) received by the entities listed under question 3 since October 1, 2006, which exceeded 10% of the entities' revenues in the year received:		
6. If you are testifying on behalf of a non-governmental entity, does it have a parent organization or an affiliate who you specifically do not represent? If so, list below:	YES	NO
Signature: With Level Build Date: 1	27-09	